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## REVIEW & OUTLOOK

### **Not So Grande CAFE**

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John Kerry, take a bow. You may have lost the last election, but at least one of your policy ideas has seen its ship come in anyway. We refer to the Bush administration's recent embrace of higher auto-mileage standards.

President Bush late last month called on Congress to give him the authority to raise Corporate Average Fuel Economy standards (known as CAFE) on passenger cars. Those standards were put in place in 1975 and established today's cap of 27.5 miles per gallon, though it has been the environmental left's long and fervent desire to raise them again to 40 mpg. Candidate Kerry had pledged to raise them. And the Bush administration had long opposed it -- that is, until it agreed earlier this year to set new efficiency standards for "light trucks," including SUVs, minivans and pickups.

The White House has now completed its surrender by inviting a similar change for cars as a "proven way to conserve gasoline." This is where President Bush's new "addicted to oil" rhetoric is taking him and us -- namely, to the government further dictating the kind of cars Americans will be able to drive, even if those cars aren't as safe on the road.

It is undeniable that higher CAFE standards kill people: Larger, heavier cars have lower death rates in crashes. Because automakers have met CAFE standards largely by reducing automobile weight, traffic fatalities in smaller cars have increased. The National Academy of Sciences once focused on the impact of CAFE standards in a single year, 1993, and estimated that they resulted in as many as 2,600 additional deaths. Average car and light-truck weight rose a bit in the 1990s, and in 2002 the Academy wrote that this increase, "though detrimental to fuel economy," had "saved lives in return."

The Bush administration at least recognizes the safety issue, which is why it is also proposing to overhaul the way CAFE operates. Currently, the 27.5 mpg standard for cars is averaged across each automaker's fleet. This has encouraged manufacturers to shrink many of their cars to meet the overall average.

The administration is instead advocating a size-based standard, which it implemented for light trucks. Under this reform, fuel efficiency standards would be applied according to each vehicle's general dimensions, meaning that larger cars

would automatically have lower fuel efficiency requirements than smaller cars. This will certainly remove some of the pressure for automakers to downsize, though "some" is the operative word. Even with more flexibility, manufacturers know the quickest way to get higher efficiency is to shave weight.

The administration would be better off pushing for the reforms without the higher CAFE standards. One political and economic bonus is that this would prevent further damage to Ford and GM, which make whatever profits they earn these days from selling larger vehicles. Tighter fuel standards are a boon for Toyota, Honda and other companies that dominate the smaller-car and sedan markets. Perhaps Congress should call this idea the U.S. Automaker Chapter 11 Promotion Act.

Mr. Bush might also think about what his successor will do. The authority for setting CAFE standards for passenger vehicles currently rests in Congress, which hasn't been able to raise them since the great liberal heyday of the 1970s. Mr. Bush is asking Congress to cede that power to the Department of Transportation, meaning that a future President could raise CAFE standards at will. Hillary Clinton would like that.

As for saving gas, there's little evidence that CAFE standards matter all that much. Americans tend to drive more miles in high-mileage cars, and when gas prices are lower they shift to SUVs and other vehicles that give them space and a greater sense of security. The best gas-saving plan around is today's high prices.

If Americans want to pay what amounts to a virtue premium for buying a Toyota Prius or a Mini, no one is stopping them. But the government shouldn't regulate away the right of other Americans to buy a larger car, along with the greater safety it provides.